the war we have paid for as it went on, partly with the help of loans from America and from other countries—Argentina, Holland, Switzerland, etc.—that have lent us money. These loans amount, as far as they can be traced from the official figures, to about £1300 millions. Against them we can set our loans to our Dominions, over £200 millions (a perfectly good asset), and our loans to our Allies, perhaps £1500 millions, which the Chancellor proposes to write down by 50 per cent., and might perhaps treat still more drastically. To meet this foreign debt we shall have to turn out so much stuff—goods and services of all kinds—for sale abroad to meet the interest and repayment. We have further impoverished ourselves by selling our foreign securities abroad. No figure has been published giving any clue to the amount of these sales, and we may perhaps guess them at £1000 millions. If the pre-war estimates of our overseas investments at *£4000* millions were anywhere near the mark, it thus appears that we shall end the war still a great creditor nation.

In so far as the debt was raised at home, the war was paid for by those who bought the securities offered, and we have now to pay them interest and set about repaying them, the capital. This process will not diminish the national wealth, but will only affect its distribution. It will not diminish the

amount of available capital, but may even rather increase it by gathering into the hands of the debt-holders—who are ex-hypothesi folk with an inclination for saving—money that might, if left in the